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STATE FOR WHA/MEX, WHA/EPSC  
STATE PASS USAID FOR LAC:MARK CARRATO  
TREASURY FOR IA MEXICO DESK: JASPER HOEK  
COMMERCE FOR ITA/MAC/NAFTA: ANDREW RUDMAN

E.O. 12958: N/A

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SUBJECT: PRESIDENTIAL CANDIDATES PREPARE FOR FIRST POLITICAL DEBATE

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SUMMARY  
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**¶11.** (SBU) As the presidential candidates prepare for their first debate April 25 in Mexico City, the four participants are emphasizing Andres Manuel Lopez Obrador's (PRD) refusal to attend, while Roberto Madrazo, Patricia Mercado and Roberto Campa take every opportunity to attack the current administration. Adopting a populist tone, Roberto Madrazo (PRI) told sugar cane producers he would oblige the U.S. government to accept Mexican sugar surpluses. Felipe Calderon (PAN) became the first candidate to explicitly promise to combat intellectual property piracy. AMLO dismissed as "excessive" Calderon's characterization of AMLO as a significant danger for the country, even as he acknowledged Calderon's gains in recent polls. Hopefully, we will see more substance in today's debate and not the persistent and shallow attacks on each other that have prevailed thus far in the political campaign. End summary.

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FIRST POLITICAL DEBATE  
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**¶12.** (SBU) With AMLO's notorious absence, which will be emphasized by placing an empty chair on the stage, the other four presidential candidates will hold their first two-hour political debate on April 25 at 8:30 pm. The second and last debate - in which AMLO tentatively plans to participate -- is scheduled for June 6. The first debate will focus on five main issues: fiscal policy, energy policy, labor policy, poverty, and social and sustainable development. The Mexican business sector represented by the Business Coordination Council (CCE) and the Mexican Businessmen's Council (CMHN) called on the candidates to hold a high-level debate with more explicit and broader proposals than they have offered thus far.

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MADRAZO WILL FORCE THE U.S. TO ACCEPT MEXICAN SUGAR  
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**¶13.** (SBU) Desperate to gather more support after recent polls confirmed that he remains in last place, Madrazo resumed his populist speeches. On April 20, he addressed workers of a sugar mill in Morelos where he promised to clean up the sugar mills expropriated by the Fox administration. Regarding the full opening of agricultural trade in 2008

under NAFTA, Madrazo said he would "oblige" the U.S. to accept Mexican sugar surpluses. Without providing further detail, he also promised to put a different sugar cane policy in place. He said that the agricultural sector was in bad shape, exporting less (sugar) and importing more (fructose). To make the sector more competitive, he offered to sugar growers (as he has repeatedly promised to other sectors) to reduce energy rates through an energy law for farmers, which he claims has thus far been blocked by the PAN in Congress. Showing his "empathy and sympathy" to migrants' needs, Madrazo said he supported the general strike by Hispanic immigrants on May 1.

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CALDERON'S ANTI-PIRACY PLAN  
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14. (SBU) Felipe Calderon has been the only candidate to propose a coordinated action against Intellectual Property Rights (IPR) violations. Speaking before the Music Authors and Composers Society on April 19, he promised to combat piracy through a zero tolerance policy. To protect copyright holders, Calderon also promised to increase penalties for those that illegally reproduce copyrighted material. According to Calderon's plan, IPR violators would be registered in a criminal database to better detect and punish them. To combat piracy effectively, the PAN candidate said he would strengthen Customs, a key agency in detecting and deterring illegal merchandise. Calderon's IPR proposal is included in his Integral Public Policies Program.

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AMLO SAYS HE'S NOT A DANGER FOR MEXICO  
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15. (SBU) PAN spots comparing AMLO to Venezuela's Hugo Chavez and blaming the PRD candidate for increasing Mexico City's debt have thus far proved surprisingly successful. In recent polls, AMLO's support fell in favor of Felipe Calderon, who is now narrowing the gap between them. Indeed, on April 25, Reforma published a poll showing Calderon leading AMLO 38% to 35%, with Madrazo trailing with 23%. Alleging that accusations claiming he is a danger to the country were unfounded, AMLO spent last week repeating the outline of his platform, but failed to offer anything new. He asserted that he would not allow private investment in Pemex because what the state-run company needed was better management, less corruption, and the creation of a value-added chain. AMLO believes that by getting rid of corruption in gasoline distribution and ending robberies from Pemex pipelines, he will obtain the needed funds (about MP 15 billion) to invest in exploration of new wells. AMLO stressed his three priorities should he become president: social policy, reduction of energy rates, and the austerity plan. The reactivation of the economy and the creation of jobs would be possible thanks to his infrastructure plans, which include construction of public works and housing programs. About NAFTA, AMLO has said that he would call for a re-negotiation in order to include a clause to protect Mexican farmers. AMLO's favorite slogan, "For everybody's welfare, poor citizens come first", captures his main message.

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COMMENT  
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16. (SBU) The debate is structured with two and one-half minute slots for presentation of candidates' proposals on each of the five main issues, with each candidate also having one and one-half minutes for rebuttal on each issue. Accordingly, the format is more that of a series of public statements than that of a true debate, since there will be

little opportunity for the candidates to engage each other. Hopefully, though, the event will give voters an opportunity to evaluate the candidates outside of the campaign context of repetitive speeches, media interviews, and radio and TV commercials. The private sector expects to learn more about the candidates' proposals during the debate than what has been presented thus far. It remains to be seen whether Calderon and Madrazo use the event more to attack each other, or to focus on their shared adversary in absentia.

End comment.

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